



## *NWTC Board of Trustees Retreat*

### *Agenda*

June 25, 2025

12:00 p.m. – 12:30 p.m.

Virtual Meeting

Phone Call In: +1 920-770-2313

Phone Conference ID: 570 627 539#

### ***Open Meeting & Roll Call – Please turn off all cell phones at this time.***

The Board Chairperson will call the June 25, 2025 NWTC Board of Trustees meeting to order and request that roll call be taken at this time.

### ***Action Items (Roll Call Vote)***

#### 1. Self-Insurance Fund Balance

The College proposes transferring \$3.5 million of the anticipated fund balance from the General Fund to the Self-Insurance Fund. See Exhibit 1.

The College has made significant changes to the health insurance benefits and will continue to investigate options to improve year-over-year sustainability. However, the current Self-Insurance Fund balance is too low to adequately buffer unanticipated claims or cost increases.

The proposed transfer will allow the College to continue focusing on stabilizing the annual health insurance expenses and not on rebuilding the depleted Self-Insurance Fund balance. The impact is lower future premiums for employees and the College.

It is requested that the Board approve the transfer of \$3.5 million from the General Fund fund balance to the Self-Insurance Fund.

### ***Next Board Meeting(s)***

The July 14, 2025 Board Meeting will be held in person at the NWTC Green Bay Campus located at 2740 W. Mason Street, Green Bay, WI 54303.

Board members and administration will have an opportunity to identify items that weren't identified prior to the preparation of the agenda for referral to administration or placed on a future board agenda.

### ***Adjournment***

The Board Chair will accept a motion to adjourn the June 25, 2025 Board of Trustees meeting.

## **Board Exhibit 1**

### **Self-Insurance Fund Balance**

At the end of FY25, the College anticipates a fund balance in the General Fund of \$30.0 million. As required by WTCS in the Financial and Administrative Manual (FAM), NWTC must designate the purposes for the fund balance. Following the guidelines in the FAM, the College is using the following preliminary designations:

- *Designated for Operations* – the primary reserve for stability and cash flow in the General Fund.
  - \$20.7 million, which is the maximum amount permitted.
- *Designated for State Aid Fluctuations* – reserve to buffer unanticipated reductions in State support.
  - \$1.0 million, which is the maximum amount permitted.
- *Reserve for Prepaid Expenditures* – funds that are equal to the amount of prepaid expenditures recorded as assets for accounting purposes. Prepaid expenditures occur when the College pays for goods or services that won't be used until next fiscal year.
  - \$200,000, which is the estimated amount of the prepaid asset.
- *Designated for Subsequent Year* – funds that are reserved for unbudgeted planned expenses in FY26.
  - \$100,000 – Workday modifications to accommodate possible changes to the job architecture and health insurance structure.
  - \$350,000 – Academic Affairs and Workforce Development succession planning and leadership transitions.
  - \$650,000 – One-time employee compensation funding in FY26 to be utilized based on the results of the compensation assessment.
  - \$800,000 – Funds to cover the anticipated budget deficit in FY26.
- *Designated for Subsequent Years* – funds that are reserved for planned expenses in FY27 and beyond.
  - \$100,000 – Support for the development of departmental five-year plans.
  - \$100,000 – Funds to explore potential options and timing for a future property tax levy referendum.
- *Reserve for Post-Employment Benefits* – Reserves for the College's retirement program that are adequate to cover the current participants' benefit liability.
  - \$2.5 million, which represent the recorded benefit liability.

These initial designations total \$26.5 million. The specific amounts in each category will vary based on the final FY25 audited financial statements. An update on the final fund balance designations will come to the Board of Trustees this fall.

The College proposes transferring the remaining \$3.5 million of the anticipated fund balance from the General Fund to the Self Insurance Fund.

The College has made significant changes to the health insurance benefits and will continue to investigate options to improve year-over-year sustainability. However, the current Self Insurance Fund balance is too low to adequately buffer unanticipated claims or cost increases.

The proposed transfer will allow the College to continue focusing on stabilizing the annual health insurance expenses and not on rebuilding the depleted Self Insurance Fund balance. The impact is lower future premiums for employees and the College.

It is requested that the Board approve the transfer of \$3.5 million from the General Fund fund balance to the Self-Insurance Fund.

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